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Action

(OFFICIAL TRANSLATION) Control 1755

Rec'd: SEPTEMBER 4, 1962

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Info

FROM: MEXICO CITY

FILE

SS TO: Secretary of State
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PRIORITY

ACTION DEPARTMENT 732, INFORMATION MONTEVIDEO 8, SANTIAGO
8, BUENOS AIRES 9, LIMA 14, QUITO 4, ASUNCION 5, BOGOTA 4,
RIO DE JANEIRO 6, GENEVA 7

GENEVA FOR GATT

LAFTA CONFERENCE VOTED EVENING SEPTEMBER 3 TO EXCLUDE
CUBA BY VOTE 7 TO NOTHING, MEXICO AND BRAZIL ABSTAINING.

CONFERENCE ADOPTED RESOLUTION 36 AGAINST ADMISSION ANY
COUNTRY WITH INCOMPATIBLE ECONOMIC SYSTEM AND RESOLUTION

37 NAMING CUBA AS SUCH A COUNTRY. TEXTS FOLLOW. MEXICO AND
BRAZIL ABSTAINED JUDICIAL GROUNDS ARTICLE 58 DID NOT PROVIDE
FOR EXCLUSION ANY APPLICANT, BUT BOTH ACKNOWLEDGED CUBAN
SYSTEM INCOMPATIBLE WITH LAFTA. REGULAR PLENARY SESSIONS
RESUMED SEPTEMBER 4.

RESOLUTION 36

THE CONFERENCE OF THE CONTRACTING PARTIES, DURING ITS
SECOND PERIOD OF REGULAR SESSIONS,

CONSIDERING THAT THE PARTIES TO THE MONTEVIDEO TREATY,
IN ESTABLISHING A FREE TRADE AREA AND INSTITUTING THE

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ESTATE PLANNING

FROM MEXICO CITY

THE LATIN-AMERICAN FREE TRADE ASSOCIATION, RESOLVED TO MAKE THE GREATEST POSSIBLE EFFORT TO CREATE A LATIN-AMERICAN COMMON MARKET AS A RESULT OF THE GRADUAL ELIMINATION OF THE RESTRICTIONS IMPOSED ON THE EXCHANGE OF GOODS, SERVICES, AND CAPITAL; THAT ADHERENCE TO THE TREATY BY THE LATIN-AMERICAN STATES OF NECESSITY IMPLIES THE TECHNICAL AND ECONOMIC COMPATIBILITY OF THEIR RESPECTIVE SYSTEMS WITH THE MONTEVIDEO TREATY:

THAT IT IS INCUMBENT ON THE CONFERENCE, IN ACCORDANCE WITH ARTICLE 34 OF THE TREATY, TO TAKE ALL DECISIONS CONCERNING MATTERS REQUIRING A JOINT DECISION BY THE CONTRACTING PARTIES AND, IN PARTICULAR, TO REACH AN UNDERSTANDING IN MATTERS OF COMMON INTEREST.

RESOLVES:

FIRST. THAT, FOR THE REASONS SET FORTH ABOVE, IT IS
NOT PROPER TO ACCEPT THE DEPOSIT OF INSTRUMENTS OF ADHERENCE
BY ANY COUNTRY THAT MAINTAINS AN ECONOMIC SYSTEM INCOMPATIBLE
WITH THE MONTEVIDEO TREATY.

SECOND. TO COMMUNICATE THIS RESOLUTION TO THE GOVERNMENT
OF THE ORIENTAL REPUBLIC OF URUGUAY FOR THE NECESSARY PURPOSES.

RESOLUTION 37

THE CONVENTION OF THE CONTRACTING PARTIES, DURING ITS
SESSIONS HELD IN SANTIAGO, WITH THE RAPPORT OF CUBA
AND THE VARIOUS PROPOSALS PRESENTED BY THE
GOVERNMENT OF CUBA, WHICH IS ATTACHED AS APPENDIX B
TO THIS AGREEMENT, AND THE APPROVAL OF THE GOVERNMENT
OF CUBA, WHICH IS ATTACHED AS APPENDIX C THEREOF.

3 SEPTEMBER 1962. BUREAU OF POLITICAL AFFAIRS

DECLARAS:

THAT THERE IS ABSOLUTE INCOMPATIBILITY BETWEEN THE ECONOMIC SYSTEM OF CUBA AND THE MONTEVIDEO TREATY AND

RESOLVES:

FRIST. THAT, CONSEQUENTLY, IT IS NOT PROPER TO ACCEPT THE DEPOSIT OF THE INSTRUMENT OF ADHERENCE OF THE REPUBLIC OF CUBA TO THE MONTEVIDEO TREATY AS LONG AS ITS PRESENT ECONOMIC SYSTEM CONTINUES.

SECOND. TO COMMUNICATE THIS RESOLUTION IMMEDIATELY TO THE GOVERNMENT OF THE ORIENTAL REPUBLIC OF URUGUAY FOR SUCH PURPOSES AS MAY BE NECESSARY.

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NOTE: Foreign language text received September 4, 1962.
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